## **BUDGET RESOLUTION/New Environmental Spending**

SUBJECT: Senate Concurrent Budget Resolution for fiscal years 1999-2003 . . . S.Con. Res. 86. Lautenberg motion to waive the Budget Act for the consideration of the Lautenberg/Daschle amendment No. 2195.

## **ACTION: MOTION REJECTED, 47-52**

SYNOPSIS: As reported, S.Con. Res. 86, the Senate Concurrent Budget Resolution for fiscal years 1999-2003, will balance the unified budget in 1998 and will run surpluses for each of the next 5 fiscal years. Both Federal spending and Federal revenues will increase 3.5 percent from fiscal year (FY) 1998 to FY 1999. All surpluses will be reserved for Social Security reform. A reserve fund will be established to allow the entire Federal share of revenues resulting from a potential tobacco settlement to be dedicated to bolstering Medicare's solvency.

The Lautenberg/Daschle amendment would strike the Superfund (hazardous waste site) program reserve fund language from the resolution. In lieu thereof, it would propose a new fund that would allow the Senate to consider legislation that would greatly increase spending for a variety of proposed new mandatory spending environmental programs without that legislation being subject to a point of order. Superfund spending is currently all by discretionary appropriations, which total approximately \$1.5 billion annually. The Superfund Program originally had a tax component, but when the program was not reauthorized those taxes lapsed. This budget resolution, despite the Superfund taxes having lapsed, will continue to appropriate \$1.5 billion for the Superfund Program, and it will do so within the discretionary budget caps. Under the Budget Agreement of last Congress, Congress agreed that if Superfund reform legislation were passed it would provide an additional \$1 billion over 5 years in Superfund spending, and that it would provide that spending as mandatory spending. In accordance with that agreement, this resolution will create a reserve fund to allow \$200 million in new mandatory spending annually if Superfund reform legislation is enacted, which will be paid for by a reinstatement of the Superfund taxes. Those taxes will raise an estimated \$1.7 billion annually for the Superfund trust fund. The Lautenberg/Daschle amendment would instead create a reserve fund to allow Congress to spend all the \$1.7 billion collected annually for the Superfund trust fund on mandatory spending programs "to improve the quality of our nation's air, water, land, and

YEAS (47)			NAYS (52)			NOT VOTING (1)	
Republicans (3 or 6%)	Democrats (44 or 98%)		Republicans (51 or 94%)		Democrats (1 or 2%)	Republicans (1)	Democrats (0)
D'Amato Faircloth Specter	Akaka Baucus Biden Bingaman Boxer Breaux Bryan Bumpers Cleland Conrad Daschle Dodd Dorgan Durbin Feingold Feinstein Ford Glenn Graham Harkin Hollings Inouye	Johnson Kennedy Kerrey Kerry Kohl Landrieu Lautenberg Leahy Levin Lieberman Mikulski Moseley-Braun Moynihan Murray Reed Reid Robb Rockefeller Sarbanes Torricelli Wellstone Wyden	Abraham Allard Ashcroft Bennett Bond Brownback Burns Campbell Chafee Coats Cochran Collins Coverdell Craig DeWine Domenici Enzi Frist Gorton Gramm Grams Grams Grassley Gregg Hagel Hatch Hutchinson	Hutchison Inhofe Jeffords Kempthorne Kyl Lott Lugar Mack McCain McConnell Murkowski Nickles Roberts Roth Santorum Sessions Shelby Smith, Bob Smith, Gordon Snowe Stevens Thompson Thurmond Warner	Byrd	EXPLANAT 1—Official H 2—Necessar 3—Illness 4—Other  SYMBOLS: AY—Annou AN—Annou PY—Paired PN—Paired	ily Absent nced Yea nced Nay Yea

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natural resources" (the trust fund could thus be drained for purposes unrelated to cleaning up hazardous waste sites). As with all reserve funds, the Daschle/Lautenberg amendment would not actually approve new taxing and spending; it would just remove a 60-vote point of order against considering such legislation later in the year (see the reserve fund explanation below).

Debate on a first-degree amendment to a budget resolution is limited to 2 hours. Debate on the Lautenberg amendment was further limited by unanimous consent. After debate, Senator Domenici raised a point of order that the amendment violated section 305(b)(2) of the Budget Act. Senator Lautenberg then moved to waive the Budget Act for the consideration of the amendment. Generally, those favoring the motion to waive favored the amendment; those opposing the motion to waive opposed the amendment.

NOTE: After the vote, the point of order was upheld and the amendment thus fell.

If a budget resolution does not include changes in revenues or outlays for subsequent tax or spending legislation that presumably may be enacted, a mechanism called a "reserve fund" can be added to the resolution that will allow the Budget Committee Chairman to make adjustments to it after it has passed in order to accommodate such tax or spending legislation, if necessary. Reserve funds have usually been included in budget resolutions either to approve the consideration later in the year of tax-and-spend proposals by Democrats or tax relief-spending cut proposals by Republicans. Without reserve funds, such proposals are subject to 60-vote points of order, even if they do not violate the "paygo" (deficit neutrality) requirement for tax and mandatory spending proposals. Tax cuts cannot be paid for with spending cuts, unless approved in a reserve fund, because such approval would trigger a 60-vote point of order against considering proposals that would lower projected revenues below the revenue floor set in the budget resolution. Similarly, new entitlement spending cannot be paid for with new taxes, unless approved in a reserve fund, because such approval would trigger a 60-vote point of order against entitlement spending in excess of the aggregate mandatory outlay ceiling set in the budget resolution. Reserve funds allow the floor and the ceiling to be changed, respectively, and thus avoid the points of order.

## **Those favoring** the motion to waive contended:

The resolution before us will allow \$200 million in FY 1999, and \$1 billion over the next 5 years, in Superfund (hazardous waste site cleanup) spending if the Superfund program is reauthorized and reformed. Such a reauthorization, which is expected, will involve the extension of expired Superfund taxes. Those taxes, though, collect \$1.7 billion annually. We think all of the money collected should be spent on the environment. We have therefore offered the Lautenberg amendment, which would create a reserve fund for that purpose. Our intent would be to double mandatory spending on Superfund and to spend the rest on new mandatory programs for the environment. If our colleagues, like we, think that environmental taxes should be used to pay for new mandatory environmental spending, they will join us in voting in favor of the motion to waive.

## **Those opposing** the motion to waive contended:

The Lautenberg amendment is just yet one more proposal from Democrats to increase total taxes and increase total spending. In this instance, our Democratic colleagues have noted that this resolution does not include all of the funding that the President has requested for a few environmental initiatives. Rather than trying to fund those initiatives by cutting funding for lower priority items, they have instead proposed new mandatory spending to add to the \$.7 trillion the Federal Government already spends each year. We emphatically oppose approving new mandatory spending, because such spending is difficult to control and is largely responsible for most of the United States' debt. Also, we emphatically oppose adding to the size of the Government. If new spending is proposed, lower priority spending should be cut as an offset. The resolution before us follows that course in funding a number of environmental initiatives at levels much greater than President Clinton requested in his budget and in the alternative budget that has been proposed by Democratic Senators. For instance, this budget resolution will provide \$1.4 billion in budget authority for critical construction programs within the Corps of Engineers instead of cutting those programs by 47.4 percent as suggested by the President. Also, it will spend \$2.7 billion more than the President requested over 5 years, and \$1.1 billion more than our Democratic colleagues requested, for clean water, drinking water, and targeted wastewater funds. The big difference is that the extra funding in this resolution will be offset by spending cuts. Our Democratic colleagues have proposed this reserve fund because they cannot bear to cut \$1.7 billion out of the \$1.7 trillion budget to pay for their new proposed environmental spending. For our part, we will not accept new mandatory spending that is not paid for with spending cuts. We therefore urge the rejection of this amendment.